Introduced by Assembly Member Ruskin

February 22, 2005

An act to amend Section 25722.5 of the Public Resources Code, relating to state purchases.

LEGISLATIVE COUNSEL'S DIGEST

AB 1357, as introduced, Ruskin. State motor vehicle fleets.

Existing law requires the Director of General Services to compile and maintain prescribed information on the nature of vehicles owned or leased by the state, including the number of alternatively fueled vehicles and hybrid vehicles purchased or leased by the state during the year, and the total number owned or leased as of December 31 of each vear.

This bill, in addition, would require the Director of General Services to compile and maintain prescribed information on the number of bifuel natural gas and bifuel propane vehicles purchased or leased by the state during the year, the total number owned or leased as of December 31 of each year, and the total amount of fuel used during the year by those vehicles, itemized by type of fuel, as of December 31 of each year.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- SECTION 1. The Legislature finds and declares all of the 1
- following: 2

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(a) Chapter 900 of the Statutes of 1991 stated the findings and declarations of the Legislature, that "overdependence on the production, marketing, and consumption of petroleum based fuels as an energy resource in the transportation sector is a threat to the energy security of the state due to continuing market and supply uncertainties. In addition, petroleum use as an energy resource contributes substantially to the following public health and environmental problems: air pollution, acid rain, global warming, and the degradation of California's marine environment and fisheries."

- (b) The public's exposure to toxic air contaminants is a significant environmental health issue in California. Chapter 1047 of the Statutes of 1983 enacted a program to identify the health effects of toxic air contaminants and to reduce exposure to these contaminants to protect the public health.
- (c) In 1998, the State Air Resources Board found diesel exhaust to be a toxic air contaminant.
- (d) Air pollution effects include respiratory problems, adverse neurological, reproductive, and developmental effects, especially for vulnerable populations such as children, the elderly, pregnant women, and populations living close to freeways.
- (e) The reasons for reducing our dependence on petroleum-based fuels are even more true today. In order to decrease our dependency on petroleum-based fuels, the state should promote modern technology that will improve the per-mile efficiency of all of the state vehicle fleet, including that of alternative fuel vehicles.
- (f) Chapter 912 of the Statutes of 2001 stated the findings and declarations of the Legislature, that it is vital to minimize the economic and environmental costs due to the use of petroleum-based and other transportation fuels by state agencies. That measure directed the State Energy Resources Conservation and Development Commission (Energy Commission), the Department of General Services, and the State Air Resources Board to develop and adopt new specifications governing the purchase by the state of motor vehicles that will reduce the petroleum consumption of the state's vehicle fleet to the maximum extent practicable, in a cost-effective manner.
- 39 (g) The "California State Vehicle Fleet Fuel Efficiency 40 Report," published by the Energy Commission, the State Air

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Resources Board, and the Department of General Services in May 2003 found that the state had commenced to purchase a significant number of bifuel, alternative fuel, flexible fuel, electric, and hybrid vehicles for its fleet. However, the report identifies that there remain some major barriers to achieving the maximum potential reduction in petroleum fuel use in our state fleet.

- (h) It is important to aggressively reduce and remove barriers that prevent the maximum use of alternative fuels in bifuel and flexible fuel vehicles, and of electric and of hybrid vehicles. This effort should include installation of additional refueling facilities for alternative fuels and charging stations for electric vehicles where appropriate.
- (i) The initial costs of vehicles that use petroleum-based fuels generally are lower than the initial costs of more efficient and cleaner vehicle technologies. State purchase policies that currently emphasize purchases based on the lowest bid should be adjusted to properly account for the economic savings to the state and reduction in environmental damage that can be achieved by the use of alternative fuel, and electric and hybrid vehicles over the life cycle of the vehicle.
- (j) In order to ensure that the state is moving as quickly and cost effectively as possible to adopt alternatives to petroleum-based fuels to the maximum extent practicable, it is also important that there is better data collection on the composition and use of the state's fleet of 73,000 vehicles, that are operated by 120 agencies.
- (k) In addition to focusing on ways to improve the state vehicle fleet, it is important to leverage state efforts and infrastructure to reduce petroleum use by identifying local agency vehicle needs and supporting local agency efforts to upgrade their fleets.
- (1) As we remove the barriers to improving the efficiency and reducing the pollution of the state vehicles, the Energy Commission, the State Air Resources Board, and the Department of General Services should identify and implement purchasing policies that will enable all government agencies throughout the state, including cities, counties, special districts, and school districts, to also increase purchasing of alternative fuel or hybrid vehicles in a cost effective manner.

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SEC. 2. Section 25722.5 of the Public Resources Code is amended to read:

25722.5. (a) On or before January 1, 2005, in *In* order to achieve the policy objectives set forth in Sections 25000.5 and 25722, the Department of General Services, in consultation with the commission and the State Air Resources Board, shall develop and adopt specifications and standards for all passenger cars and light-duty trucks that are purchased or leased on behalf of, or by, state offices, agencies, and departments. Authorized emergency vehicles, as defined in Section 165 of the Vehicle Code, that are equipped with emergency lamps or lights described in Section 25252 of the Vehicle Code are exempt from the requirements of this section. The specifications and standards shall include the following:

- (1) Minimum air pollution emission specifications that meet or exceed California's Ultra-Low Emission Vehicle II (ULEV II) standards for exhaust emissions (13 Cal. Code Regs. 1961). These specifications shall apply on January 1, 2006, for passenger cars and on January 1, 2010, for light-duty trucks.
- (2) Notwithstanding any other provision of law, the utilization of procurement policies that enable the Department of General Services to accomplish do all of the following:
- (A) Evaluate and score emissions and fuel economy in addition to capital cost to enable the Department of General Services to choose the vehicle with the lowest life-cycle cost when awarding a state vehicle procurement contract.
- (B) Maximize the purchase or lease of hybrid or "Best in Class" vehicles that are substantially more fuel efficient than the class average.
- (C) Maximize the purchase or lease of available vehicles that meet or exceed California's Super Ultra-Low Emission Vehicle (SULEV) passenger car standards for exhaust emissions.
- (3) In order to discourage the unnecessary purchase or leasing of a sport utility vehicle and a four-wheel drive truck, a requirement that each state office, agency, or department seeking to purchase or lease that vehicle, demonstrate to the satisfaction of the Director of General Services or to the entity that purchases or leases vehicles for that office, agency, or department, that the vehicle is required to perform an essential function of the office, agency, or department. If it is so demonstrated, priority

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consideration shall be given to the purchase or lease of an alternatively fueled or hybrid sports utility vehicle or four-wheel drive vehicle.

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- (b) On or before December 31, 2005, each Each state office, agency, and department shall review its vehicle fleet and, upon finding that it is fiscally prudent, cost-effective, or otherwise in the public interest to do so, shall dispose of nonessential sport utility vehicles and four-wheel drive trucks from its fleet and replace these vehicles with more fuel efficient front-wheel drive passenger cars and trucks.
- (c) To the maximum extent practicable, each state office, agency, and department that has bifuel natural gas and bifuel propane vehicles in its vehicle fleet shall use the respective alternative fuel in those vehicles.
- (d) Commencing no later than January 1, 2005, the *The* Director of General Services shall compile and maintain information on the nature of vehicles that are owned or leased by the state, including, but not limited to, all of the following:
- (1) The number of passenger-type motor vehicles purchased or leased during the year, and the number owned or leased as of December 31 of each year.
- (2) The number of sport utility vehicles and four-wheel drive trucks purchased or leased by the state during the year, and the number owned or leased as of December 31 of each year.
- (3) (A) The number of alternatively fueled vehicles and hybrid vehicles purchased or leased by the state during the year, and the total number owned or leased as of December 31 of each year.
- (B) Of those vehicles described by subparagraph (A), the number of bifuel natural gas and bifuel propane vehicles purchased or leased by the state during the year, the total number of those vehicles owned or leased as of December 31 of each year, and the total amount of fuel used by those vehicles during the year, itemized by type of fuel, as of December 31 of each year.
- (4) The justification provided for all sport utility vehicles and four-wheel drive trucks purchased or leased by the state and the specific office, department, or agency responsible for the purchase or lease.
- (5) The number of sport utility vehicles and four-wheel drive trucks purchased or leased by the state during the year, and the

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number owned or leased as of December 31 of each year that are alternative fuel or hybrid vehicles.

- (6) The number of light-duty trucks disposed under subdivision (b).
- (7) The total dollars spent by the state on passenger-type vehicle purchases and leases, categorized by sport utility vehicle and nonsport utility vehicle, and within each of those categories, by alternative fuel, hybrid and other.
- (e) Each state office, agency, and department shall cooperate with the Department of General Services data requests in order that the department may compile and maintain the information required in subdivision (d).
- 13 (f) As soon as practicable, the information compiled and 14 maintained under subdivision (d) and a list of those state offices, 15 agencies, and departments that are not in compliance with 16 subdivision (e) shall be made available to the public on the 17 Department of General Services' Web site.